

FISCAL NOTE

SB 3774

February 6, 2008

SUMMARY OF BILL: Requires all bottles of Jack Daniels whiskey seized by the Alcoholic Beverage Commission during raids in Davidson and Moore Counties during October and November 2007 to be made available for public sale if bottled after July 4, 1976. The sale of such bottles shall be conducted by the Department of General Services and all proceeds are to be deposited into a special account within the General Fund for the exclusive use of drug and alcohol rehabilitation and prevention programs. All such proceeds must be specifically appropriated by the General Assembly prior to expenditure. Any bottle produced prior to July 4, 1976 would be transferred to the State Museum.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

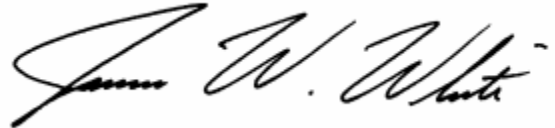
Other Fiscal Impact – The amount of revenue generated by a public auction of any whiskey bottled after July 4, 1976 cannot reasonably be quantified due to multiple unknown factors including the condition of the goods to be auctioned, the exact bottling dates and amounts of each date available, and the market value at auction of such items. However, it is estimated that such public sale will generate in excess of \$400,000 in increased revenue earmarked for the exclusive use of drug and alcohol rehabilitation and prevention programs within the General Fund.

Assumptions:

- An increase in state expenditures for the museum to catalog, store, and display any donated items. Such increase is estimated to be not significant.
- The manner of public sale will be an auction.
- Disposition of such items through auction will be conducted in the same manner as other such property auctioned by the Department of General Services.
- At least 2,000 bottles sold at auction at an average price of at least \$200 per bottle.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive, flowing style with a large initial "J" and "W".

James W. White, Executive Director

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